

FINANCE AUDIT AND RISK COMMITTEE
21 June 2023

***PART 1 – PUBLIC DOCUMENT**

TITLE OF REPORT: ANNUAL REPORT ON RISK MANAGEMENT GOVERNANCE

REPORT OF: THE SERVICE DIRECTOR - RESOURCES

EXECUTIVE MEMBER: FINANCE AND IT

COUNCIL PRIORITY: ALL

1. EXECUTIVE SUMMARY

To provide the Committee with an update on the effectiveness of the Risk Management Governance arrangements at North Herts Council

2. RECOMMENDATIONS

- 2.1. That Finance, Audit and Risk Committee note and provide comments to Cabinet on the Annual Risk Management update, for referral on to Full Council.
- 2.2. That Finance, Audit and Risk Committee provide comments to Cabinet on the review of the Risk Management Framework.
- 2.3. That Finance, Audit and Risk Committee comment on the type of Risk Management Training they would like to see going forward.

3. REASONS FOR RECOMMENDATIONS

- 3.1. The responsibility for ensuring the management of risks is that of Cabinet.
- 3.2. This Committee has responsibility to monitor the effective development and operation of Risk Management.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. There are no alternative options that are applicable.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. Consultation has been undertaken with Leadership Team and the Risk and Performance Management Group (RPMG). The Executive Member for Finance and IT (as Risk Management Member Champion), the Chair of Finance, Audit and Risk Committee and

the Chair of Overview and Scrutiny are all invited to RPMG, as well as key Officers.. Lead Officers discuss risks with the relevant Executive Member.

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key Executive decision first notified on the Forward Plan on the 21 April 2023.

7. BACKGROUND

- 7.1 In March 2022, Cabinet agreed that risks impacting on the delivery of the Council Plan and linked projects would be reported to the Overview and Scrutiny (O&S) Committee, along with details of projects and associated performance indicators. This forms part of the new Council Delivery Plan along with performance monitoring arrangements. This Committee will focus on its role (as set out in the Constitution) of “monitor[ing] the effective development and operation of risk management”. To achieve this, the Committee now receives a mid-year (in December) and end of year (in June) report. The June report will focus on the Annual Report of Risk Management, which will also go to Full Council.
- 7.2 The Executive Member for Finance and IT in their role as the Member Risk Management Champion was a regular attendee at the quarterly RPMG meetings. The items discussed at these meetings informed the content of the committee reports.
- 7.3 The RPMG is chaired by the Service Director – Resources, the Officer Champion for Risk Management, who is responsible for the risk management function at a strategic and operational level. This function is delivered by the Controls, Risk and Performance Manager and the Performance and Risk Officer, including the provision of training and support to Officers and Members. The terms of reference for the group were reviewed in November 2022 and are included as Appendix F.
- 7.4 Hertfordshire County Council (HCC) delivers the Council’s insurance services and their Risk and Insurance Manager attends RPMG meetings. This enables the Council to obtain an insight into emerging risks and issues at both HCC and other Hertfordshire local authorities. The SIAS Client Audit Manager also attends RPMG meetings, helping to inform the group’s understanding of wider risk issues.
- 7.2 The intention is for the six-monthly reports to provide a wider commentary on Risk, the broader risks and mitigations, and to provide assurance that risk governance arrangements are working, and that effective risk management processes are in place. Detailed review of specific risks can be requested on an ad hoc basis and provide the opportunity to bring the risk owner’s expertise into the room.

8. RELEVANT CONSIDERATIONS

8.1 RISK MANAGEMENT GOVERNANCE

- 8.1.1 The Councils Risk Management Framework (RMF) requires us to

- Identify and document key risks in all areas of our business, understand them and seek to proactively manage them.
- Assess each risk, identify existing controls, and further actions required to reduce the risk.
- Have Business Continuity Plans in place for each of our service areas, which identify the key functions, what the risks are and how they can be mitigated to allow them to continue operating.
- Develop capacity and skills in identifying, understanding, and managing the risks facing the Council.
- Regularly review the Risk Management Framework and update it in line with statutory and best practice requirements.

8.2 Risk Identification and Assessment

- 8.2.1 The Corporate Risks are the responsibility of the Leadership Team and Cabinet, with Cabinet ensuring the risks are managed appropriately and proportionately. These key risks were those that cut across the delivery of all services, related to key projects or could significantly affect the delivery of Council objectives. They were likely to require a high level of resources to manage and needed to be monitored at a strategic level.
- 8.2.2 The reporting of Corporate Risks to Cabinet via the half yearly FAR Committee report and the Quarterly O&S Council Delivery Plan updates, allowed details of the top risks facing the Council and how we were managing them to be approved and monitored accordingly.
- 8.2.3 A full list of Corporate Risks linked to the Council Delivery Plan 22-23, is provided in Appendix A. 28 new risks were created to form the original Council Delivery Plan, reported to this committee in March 2023, and a further 3 risks have been added since that date, namely Churchgate, Resourcing and Shared Prosperity Fund. Reporting on the Council Delivery Plan, has allowed us to streamline the risk records, highlighting the actions the Council needs to take to manage the risk. Each risk has been assessed on Pentana, and shows an initial risk score, current risk score and a target risk score. The controls and mitigating actions column, sets out how officers are proposing to either reach the target risk score, or maintain the existing risk score, if it has been decided the risk cannot be managed any lower. It should therefore be noted that some risks have been managed as low as possible and the residual risk must therefore be accepted.
- 8.2.4 The following diagram highlights the definitions of likelihood and impact used in the Risk Management Framework.

<p>4 Likelihood High (3) Impact Low (1)</p> <p>Chance of it happening - More than 60% Consequences - Minor</p>	<p>7 Likelihood High (3) Impact Medium (2)</p> <p>Chance of it happening - More than 60% Consequences - Noticeable effect on the Council</p>	<p>9 Likelihood High (3) Impact High (3)</p> <p>Chance of it happening - More than 60% Consequences - Significant impact on the Council</p>
<p>2 Likelihood Medium (2) Impact Low (1)</p> <p>Chance of it happening – between 20 – 60% Consequences - Minor</p>	<p>5 Likelihood Medium (2) Impact Medium (2)</p> <p>Chance of it happening – between 20 – 60% Consequences – Noticeable effect on the Council</p>	<p>8 Likelihood Medium (2) Impact High (3)</p> <p>Chance of it happening – between 20 – 60% Consequences – Significant impact on the Council</p>
<p>1 Likelihood Low (1) Impact Low (1)</p> <p>Chance of it happening – less than 20% Consequences - Minor</p>	<p>3 Likelihood Low (1) Impact Medium (2)</p> <p>Chance of it happening – less than 20% Consequences – Noticeable effect on the Council</p>	<p>6 Likelihood Low (1) Impact High (3)</p> <p>Chance of it happening – less than 20% Consequences – Significant impact on the Council</p>

8.2.5 The year-end Council Delivery Plan monitoring report contained the following risks, which have been plotted on the Corporate Risk Matrix to show a visual risk profile of the Plan:

Likelihood	3 High	4	7	9 - Financial Sustainability/Balancing our Budget - Response to Government Resources and Waste Strategy - Churchgate
	2 Medium	2 - Town Centre Recovery - Cycling Network - Customer Portal - Empty Homes Strategy - Economic Development Strategy	5 - Resident/Public EV Charging in our Car Parks - Royston Leisure Centre Solar Thermal - Town Centre Strategies - Pursue commercial leasing opportunity for Royston Town Hall Annexe - New Ways of Delivering Housing on Council Land - Master Planning - Charnwood House - Museum Storage - Shared Prosperity Fund	8 - Increased Homelessness - Resourcing
	1 Low	1 - Tourism Strategy - Business Recovery: Grants - EV Charging for Council Vehicles - Finalise Pay on Exit Parking Review - Help Residents Make Payments at Convenient Locations - Supplier Self-Service - Green Space Management Strategy	3 - Museum/HTH Recovery - Health Inequalities - Full Review of Council Tax Reduction Scheme - Local Government Boundary Review	6 - Local Plan Implementation
		1 Low	2 Medium	3 High
		Impact		

The analysis of Risk data and changes to Risk Scores between 1 April 2022 and production of the year-end monitoring report, is shown in Table 1

Table 1	Council Delivery Plan Risks	Service Risks
Green Risks (1-3)	16	11
Amber Risks (4-6)	10	20
Red Risks (7-9)	5	8
TOTAL (at end of period)	31	39
Risks with reduced risk scores	12	5
Risks with increased risk scores	0	2
Risks with unchanged risk scores	19	32
TOTAL (at end of period)	31	39
New Risks	31	3
Retained throughout year	0	53
Less: Archived Risks	0	17
TOTAL (at end of period)	31	39

8.3 Emerging Risks

8.3.1 Resourcing

Reporting on progress against the Council Delivery Plan to Overview and Scrutiny and Cabinet has allowed us to monitor the Corporate Risks linked to Projects on a regular basis. As each project now has a linked risk, it has become clear that a recurring theme is resourcing, which shows as an ever-present risk. A new Corporate Risk for Resourcing with a risk score of 8 has been introduced. (Appendix B) Vital additional actions, which this year have included supporting businesses by paying the Government Support Grants, and support for the Homes for Ukraine scheme, require resources, both staff and financial, to be redirected. This affects the delivery of other projects within the Council Delivery Plan, resulting in project timelines becoming difficult to achieve.

In order to mitigate the risk, consideration is given to getting in new staff resource, particularly where New Burdens Funding is available, as well as looking at process automation and signposting to external resources and support. Projects will be prioritised and lower priority projects will be dropped where necessary. The target risk score has been set as 2.

In addition, HR are improving how we recruit and retain staff. This includes a review of recruitment processes, updating and improving the recruitment webpages and increased and improved use of social media for recruitment advertising. The employee benefits offering has been reviewed and extended following an employee survey. Our apprentice scheme continues to provide opportunities to grow our own and trainee roles have been introduced in addition to the Council apprentice scheme to support hard to fill areas.

8.3.2 Shared Prosperity Fund

On the same theme as the Resourcing risk, is the new Corporate Risk relating to the Shared Prosperity Fund (Appendix B) This new risk has been set up with a risk score of 5. There is a risk that a lack of general resources to deliver these projects will mean we are not able to fully take advantage of the funding available. We may fail to spend the money in the correct year, especially if there are delays in Government approval. Officers are required to provide returns to Government on the use of the Grant and these must be completed accurately. There can also be long lead in times for capital elements which means that items are unavailable until beyond the end of the funding period.

As with the general "Resourcing" risk, there is a need to prioritise and drop the delivery of lower priority projects. Officers are undertaking preparation work where there is a low -cost impact and we must ensure that we respond promptly to requests from Government in order to get plans approved as soon as possible.

It is also intended to look at using the admin element of grants to buy in support for monitoring and submitting returns where possible and investigating the availability of required kit/materials in order to source them at the earliest opportunity. It is hoped that these actions will allow us to achieve the target risk score of 3.

8.3.2 Churchgate

The purchase of Churchgate has created an opportunity for the Council for the regeneration of the Centre and the surrounding area, which has been long awaited. However, it also brings the risk that the regeneration of the area will not meet the expectations of stakeholders. In addition, high inflation and the potential for a recession will have an impact on the affordability of the project and what we are able to achieve. A Corporate Risk with a risk score of 9 has been set up.(Appendix B)

In order to mitigate the risks, Officers have a Communications and Consultation plan in place which will be regularly updated. All key decisions will be explained, and it will be made clear that compromises may have to be made on the project. Financial and Consultancy support will be sought as needed and cost effectiveness and value for money will play a key part when developing the options for the site. It is hoped that implementing these actions will allow us to reduce the risk score to the target score of 6.

8.3.3 Re Procurement of the Shared Waste Contract

Waste management and recycling is the highest profile service that affects every resident of the district. We are the lead authority for the joint waste contract with East Herts Council. The procurement is now underway to secure the next contract. Procurement and implementation of key contracts are risk areas for the Council and it is essential that a seamless transition is managed if there is a change in contractor. A new Corporate Risk will be included on the 2023-24 Council Delivery Plan with a risk score of 9.

8.3.4 Cyber Risks

Prolonged disruption to/failure of IT infrastructure/systems remains a high-risk area for the Council to manage. In line with all other local authorities, and businesses in general, this is likely to remain the case over the long-term, due to the constantly

evolving threats to our cyber security and the high impact on service/project delivery of risks materialising. The risk level will also be influenced by any change of risk appetite relating to the provision of individual systems i.e., moving to more cloud hosted options. Broadly speaking, the main threats can be summarised into three categories - deliberate and unauthorised breaches of security (e.g., a cyber-attack), unintentional breaches of security (e.g., accidental action by staff) and weakness/failure of essential IT infrastructure (e.g., loss of internet access). The IT service constantly manage and adapt to these risks on a day-to-day basis, with certain officers within the team having specific cyber security responsibilities.

8.4 Review of Risks

- 8.4.1 Risk reviews are scheduled within Pentana Risk, (our performance and risk software) and automated reminders are sent to service areas when risks are due to be reviewed, in line with the RMF requirements. Red Risks are reviewed most regularly – every 3 months, with Amber risks every 6 months and Green risks being reviewed at least once a year. Service areas are assisted by the Performance and Risk Officer to ensure that information is captured in line with the RMF.

For the period from April 22 to date, all Corporate risk reviews were carried out in line with the RMF requirements. For service risks, 69% of Red risks, 93% of Amber risks and 100% of Green Risks were reviewed.

- 8.4.2 A report on progress made against the Council Delivery Plan was taken to Overview and Scrutiny on 6 September 2022. Members commented on the report content and requested that project milestones be included in subsequent reports and this request has been actioned. The report was subsequently taken to Cabinet. As per the new Performance Management Framework, this ensures that Cabinet have oversight of both risk and performance.

8.5 Archived Risks

Archived risks for the full year are included as Appendices C. Archived risks are risks which have been managed down to business as usual, as per the RMF, or have been replaced by more relevant risks.

All risks can be viewed on Pentana, the Council's Risk and Performance software. Guest login details and guidance on navigating the system can be found on the intranet at the link below.

[Pentana Risk | Intranet \(north-herts.gov.uk\)](https://north-herts.gov.uk/intranet/pentana-risk)

8.6 Review of the Risk Management Framework

- 8.6.1 At the RPMG meeting in November, the group reviewed the proposed changes to the Risk Management Framework, included as Appendix D. This was a light touch update with relatively minor changes, such as changes to names and reporting lines, which have also been reflected in the updated terms of reference for Risk and Performance

Management Group. The Risk Management Strategy provides tools to keep the Risk descriptions succinct, rather than setting out a mandated approach. Even if target risk scores are reached, if the risk is still assessed to be at an unacceptable level, further mitigating actions should be considered.

8.7 Risk Awareness and Appetite

8.7.1 The Council is committed to the proactive identification and management of key external and internal risks that may affect the delivery of objectives. This allows us to be risk aware, understanding that risks may increase as services evolve and more commercial opportunities are developed and undertaken.

8.7.2 The Council's risk appetite is its willingness to accept risks to realise opportunities and achieve objectives. We must take risks and 'be brave' to evolve and to continue to deliver services effectively, deciding what risks we want to take and what ones we want to avoid, whilst acknowledging that we cannot or should not avoid all risks. The Risk Management Framework recognises that risks accompany all new objectives and opportunities, and it provides guidance on managing them appropriately.

8.7.3 At the May meeting of the RPMG a discussion was undertaken on the wider risks which may have an impact on the Council. This included the continuing war in Ukraine, and the China-Taiwan conflict, all of which could lead to supply chain failure / issues, and computer chip shortages. Inflation also continues to be a concern, and is reflected in the new Churchgate Risk entry. Discussion took place on whether inflation should be a standalone Risk entry, however as the Council has a relatively small Capital Programme, with only a low number of large projects, this may not be needed, as it can be captured at project level.

It was agreed that it would be beneficial to review the links between Business Continuity Plans and the Risk Register to ensure that all relevant risks were reflected in both, although this is not a priority. It has also been decided that the Council's Senior Manager Group should undertake a review of emerging risks.

8.7.4 The Council will have a range of different appetites for different risks depending on the circumstances and these will vary over time. The Risk Management Framework specifies that we will actively manage and monitor risks scoring 4 or higher on the risk matrix. This includes monitoring the completion of risk management activities and assessing their effectiveness.

8.7.5 Discussions on risk appetite have taken place, particularly among the Officer Leadership Team and the Officer/Cabinet Leadership Team. This has determined that we will assess our risk appetite on a project-by-project basis. This allows the benefits of a project to be balanced against both the resources and risks involved.

8.7.6 As reported in the Council Delivery Plan year-end monitoring report, 15 Corporate Risks had a score of 4 or above:

- Churchgate (9)
- Financial Sustainability/Balancing our Budget (9)

- Response to Government Resources and Waste Strategy (9)
- Increased Homelessness (8)
- Resourcing (8)
- Local Plan Implementation (6)
- Charnwood House (5)
- Master Planning (5)
- Museum Storage (5)
- New Ways of Delivering Housing on Council Land (5)
- Pursue commercial leasing opportunity for Royston Town Hall Annexe (5)
- Resident/Public EV Charging in our Car Parks (5)
- Royston Leisure Centre Solar Thermal (5)
- Shared Prosperity Fund (5)
- Town Centre Strategies (5)

8.7.7 The FAR Committee has a role in monitoring how effectively the Council delivers against its strategic approach to risk appetite.

9 **Insurance Review**

9.1 Hertfordshire County Council continued to handle the Council's insurance arrangements under a shared service arrangement. Due to the contract for the Property, Motor, Personal Accident and Crime insurance ending on 31 March 2023, a tender exercise was carried out using the YPO insurance framework. This resulted in new insurers from 1 April 2023 for these policies apart from Crime insurance, which was retained by Zurich Municipal.

9.2 The Council transfers some financial risks to its insurers. Public liability insurance provides the Council with insurance cover for claims made by the public for personal injury and/or property damage. These types of claim are subject to a £10,000 excess that is charged to the responsible service area. Areas that have been subject to a claim are identified and wherever possible, action is taken to prevent future damage to property or personal injury.

9.3 As at 31 March 2023, only two insurance claims were received from the public relating to the policy year 2022/23. Although claims are made, these are not always successful for the claimant, as payments of compensation are made only when there is a proven legal liability.

9.4 The Municipal Mutual Insurance (MMI) Scheme of Arrangement was triggered in 2013 and the Council now pays 25% of any new claims dating back to the period that MMI was the Council's insurer (1974 to 1993). The Council's Financial Risks make provision for any new claims and any further levy demands relating to the period that MMI were the Council's insurers. As at 31 March 2023, there are no outstanding claims with MMI.

10 **Business Continuity**

10.1 Business Continuity Planning (BCP) continues to be a key focus for the Council. In 2022/23, work included the development of the Operation London Bridge Business

Continuity Plan (events following the death of Queen Elizabeth II), completion of the 2022 Business Impact Analysis (BIA) process, development of a revised Operational Service Continuity Plan template for critical services and commencement of the review of all Resilience Plans.

- 10.2 A SIAS audit was carried out in late 2022 covering the BCP process and IT Disaster Recovery. The final report provided limited overall assurance and made one high priority (Limited evidence of IT disaster recovery procedures and outdated policies) and two medium priority (Incomplete BIA process/forms and BCP training) recommendations. All finalised audit reports are sent to members of FAR.
- 10.3 During 2023/24, we will complete the review of all Resilience Plans taking into account learning from recent exercises, incidents and responses, and the SIAS audit report findings. The review will include the development of procedures for key business interruption risks e.g., national power outage, loss of IT and adverse weather. Service Continuity Plans will be completed for critical services, and we will carry out the 2023 BIA process in the autumn. Following completion of the plans, the BCP training schedule will recommence, including training for staff, and a series of exercises to test the new arrangements e.g., tabletop and discussion-based exercises to test corporate arrangements, and service level exercises.
- 10.4 During 2022, we carried out a full BIA review, with all services returning an initial 'BIA 1 form' describing service functions, impacts of service interruption and dependencies. This informed a list of the Council's critical functions that must be prioritised in the event of a major internal business disruption, which was agreed by Leadership Team. An additional 'BIA 2' form was completed for all identified critical functions. Operational Service Continuity Plans will be completed for services with critical functions, and these will be updated annually. Leadership Team monitor critical service functions, with Service Directors responsible for lower-level risks in their areas. The current list (in effect up to September 2023) includes 17 services with critical functions.
- 10.5 The Council has a statutory responsibility under the Civil Contingencies Act to maintain business continuity plans. Our comprehensive structure consists of a number of plans including the main Resilience Plan that provides direction on the Council's corporate response to an emergency/major business disruption and plans at a corporate cross-Council level and operational level. On completion of the review of Resilience Plans, a revised plan structure will be produced.
- 10.6 The Hertfordshire Local Resilience Forum takes a lead role in BCP, and the Resilience Team participate in related group meetings. Council officers have good relationships with local organisations and contractors and work closely with neighbouring authorities on topics such as cybercrime, reception centres, managing equipment, and mutual aid.
- 10.7 The Business Continuity Awareness Week (BCAW) in May 2022 had the theme 'Building Resilience in the Hybrid World' and was promoted to staff and the public. The 2023 BCAW campaign will be held in May 2023 with the theme 'Embracing the challenge of Resilience' and will again be promoted by the Council.

10.8 BCP information is available on the Intranet and the Council's website, along with links to additional advice and guidance from HCC and Government.

11 **Health and Safety**

11.1 A review of the approach to risk assessment was completed. A new risk assessment template was developed, which is in line with HSE guidance and presented in an easy-to-use format. The H&S risk assessment information document was updated, which includes guidance on completing risk assessments and links to the Grow Zone risk assessment training modules for managers. Both documents are available on the Intranet.

11.2 A review of the Incident Register was also completed, with updated guidance now available on the Intranet. A review of the suitability of the current Incident Register app is still to be undertaken with IT and this will be scheduled in once IT have completed the current V3 laptop rollout

11.3 SIAS conducted a review of lone working procedures and made several recommendations to bring them in line with current legislation. A complete review of the procedures and risk assessment process and template was also undertaken, with relevant previous documentation incorporated into a newly developed H&S Lone Working information document. This provides guidance on the measures to be undertaken and highlights the different types of lone working devices that are available. A new lone working risk assessment template was produced to help managers when considering their department's needs. All documents are available on the Intranet.

11.4 A review of first aid provision at the main District Council Offices was undertaken. This concluded that the number of trained first aiders would not guarantee that cover could be provided across the full working week. Following a successful campaign for more volunteers to take up first aid training, the number of first aiders has now increased. A DCO First Aiders "in/out" noticeboard is now in use to indicate which first aiders are on site at any given time. We are also introducing a new larger fixed first aid station, which will be located in the ground floor kitchen area. This is designed to allow staff immediate access to basic first aid items, with Property Services monitoring and replenishing stock levels. A book will also be available to record any items used. The accident book will also be moved to the same ground floor location, with the online version remaining available on the Intranet. First Aid information posters will also be placed around the building, to offer basic first aid advice.

12 **Developing Capacity and Skills**

12.1 The Performance and Risk Officer has always worked closely with Officers giving advice and guidance when each risk review is completed, but there is more work to undertake in this area to ensure Officer and Member skills are developed. In 2021 an E-Learning module for Risk Management was set up on Grow Zone for completion by Officers. As at 31/03/2023 107 officers had completed the learning. This e-learning is also available to members and can be accessed via the Growzone at the link below.
[RM: Risk Management eLearning \(learningpool.com\)](https://learningpool.com)

The last report taken to FAR in March 2023 requested feedback from members of the group and subsequently Cabinet on the type of training they would like to see going forwards, but no particular requirements have been forthcoming. A SIAS audit on the Risk and Performance Management Function carried out in March 2023 (appendix E) gave reasonable assurance on the risk management function, but contained a number of recommendations which will enable us to strengthen our process. It identified the need for Member training to be developed, as one of the recommendations. This will therefore be one of the key actions to undertake in the 23-24 year. The annual finance training for new members (and existing members are encouraged to attend) has been extended to also cover an introduction to risk. Members of FAR are asked to specify any additional training that they require.

13 Achieving the Key Actions for 2022/23

13.1 Last year's Annual Report detailed the following key actions for 2021/22 to enhance the Risk Management Framework:

Action	Due Date
Undertake the annual review of Risk Management Framework documentation.	31/12/22
Continue to develop the Risk Management toolkit throughout the year.	31/03/23
Refine the new Council Delivery Plan combined performance monitoring arrangements throughout the year.	31/03/23
Undertake Insurance tender.	31/03/23
Completion of Performance Management Framework guidance documents (action will span more than one year, as requirements evolve).	31/03/24

13.2 As detailed in Section 5, a review of Risk Management Framework documentation was undertaken in late 2022 and was reported to Members in December 2022.

13.3 Further targeted promotion of the e-learning module is underway, as not all current Risk Owners and Risk Assignees have completed it (currently a 65% completion rate). In practical terms, the Performance & Risk Officer continues to provide guidance and support to officers undertaking risk reviews.

13.4 Following the continued ad-hoc development of a Risk Management toolkit, in 2023/24, a comprehensive review will be undertaken, and further improvements made. This will form part of a wider project to review all available risk and performance information. Completion of this project aims to implement the medium priority SIAS audit recommendation, prepare for the upcoming move from the current Intranet to Sharepoint, and to ensure that only up to date and relevant guidance is available to

Officers and Members, for example, access to the recently revised Project Risk Log template.

- 13.5 As detailed in Section 9, an insurance tender exercise was undertaken during 2022/23 and new insurance arrangements commenced from 1 April 2023.

14 Key Actions for 2023/24

- 14.1 The implementation of the following actions in 2023/24 will ensure the continued development of risk management at the Council:

Action	Due Date
Undertake the annual review of Risk Management Framework documentation.	31/12/23
Update the Risk Management E- Learning Module on Growzone to reflect the updated Strategy	30/09/23
Develop Member Training on Risk and deliver to key members of FARC and O&S	31/12/23
Continue to refine the new Council Delivery Plan combined performance monitoring arrangements throughout the year.	31/03/24

15. LEGAL IMPLICATIONS

- 15.1 The Committee's Terms of Reference include "to monitor the effective development and operation of risk management and corporate governance, agree actions (where appropriate) and make recommendations to Cabinet" (Constitution 10.1.5 (u)).

16. FINANCIAL IMPLICATIONS

- 16.1 There are no direct financial implications arising from this report. However, it should be noted that there are issues linked to the Resourcing risk (e.g., Cost of Living and inflation) that will affect the Council's financial situation.

17. RISK IMPLICATIONS

- 17.1 The Risk and Opportunities Management Strategy requires the Finance Audit and Risk Committee to consider regular reports on the Councils Corporate Risks. Failure to provide the Committee with regular updates would conflict with the agreed Strategy and would mean that this Committee could not provide assurance to Cabinet that the Councils identified Corporate Risks are being managed.

18. EQUALITIES IMPLICATIONS

- 18.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment,

victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

- 18.2 Reporting on the management of risk provides a means to monitor whether the Council are meeting the stated outcomes of the district priorities, its targets or delivering accessible and appropriate services to the community to meet different people's needs. The risks of NHDC failing in its Public Sector Equality Duty are recorded on the Risk Register. The Councils risk management approach is holistic, taking account of commercial and physical risks. It should also consider the risk of not delivering a service in an equitable, accessible manner, and especially to its most vulnerable residents, such as those who are homeless.

19. SOCIAL VALUE IMPLICATIONS

- 19.1 The Social Value Act and "go local" requirements do not apply to this report.

20. ENVIRONMENTAL IMPLICATIONS

- 20.1 There are no known Environmental impacts or requirements that apply to this report.

21. HUMAN RESOURCE IMPLICATIONS

- 21.1 The proposed Resourcing risk highlights the potential impact on staff of taking on new tasks.

22. APPENDICES

- 22.1. Appendix A –Corporate Risks
Appendix B – New Corporate Risks
Appendix C - Archived Corporate Risks
Appendix D – Risk Management Framework documents
Appendix E – Performance and Risk Management Audit Report
Appendix F – RPMG Terms of Reference

23. CONTACT OFFICERS

- 23.1 Rachel Cooper, Controls, Risk & Performance Manager
rachel.cooper@north-herts.gov.uk; ext. 4606

Ian Couper, Service Director – Resources
ian.couper@north-herts.gov.uk ext. 4243

Reuben Ayavoo, Policy and Communities Manager
Reuben.ayavoo@north-herts.gov.uk, ext.: 4212

Rebecca Webb, HR Services Manager
Rebecca.webb@north-herts.gov.uk, ext. 4481

Tim Everitt, Performance and Risk Officer

Tim.everitt@north-herts.gov.uk, ext.: 4646

Isabelle Alajooz, Legal Commercial Team Manager
Isabelle.alajooz@north-herts.gov.uk, ext. 4346

Paula Busby, Resilience Manager
Paula.busby@north-herts.gov.uk ext. 4246

24. BACKGROUND PAPERS

24.1 SIAS Audit report – Business Continuity Planning (Feb 23)